



June 30, 2014

Mr. William Mahoney, Financial Secretary
Insulators AFL-CIO, Local Union 60
13000 N.W. 47th Avenue
Opa Locka, FL 33054

Case Number: 410-6000318
LM Number: 015923

Dear Mr. Mahoney:

This office has recently completed an audit of Insulators Local Union 60 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with you on June 26, 2014, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records for at least five years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 60's 2013 records revealed the following recordkeeping violations:

Credit Card Expenses

Local 60 did not retain adequate documentation for credit card expenses incurred by union officers totaling at least \$1,341.00. For example, a majority of receipts were kept for credit card expenses involving the purchase of office supplies and food and beverage items;

however, Local 60 did not always annotate the purpose of these itemized credit card expenses to support they were related to union business. In addition, Local 60 did not always include the names and titles of the persons participating in meals paid through the union's credit card. Union records of meal expenses must include written explanations of the union business conducted and the full names and titles of all persons who incurred the restaurant charges. Also, the records retained must identify the names of the restaurants where the officers of employees incurred meal expenses paid through the union's credit card.

As previously noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

Based on your assurance that Local 570 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above recordkeeping violations.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-2) filed by Local 60 for fiscal year ending December 31, 2013 was deficient in the following area:

Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 60 amended its constitution and bylaws in 2011, but did not file a copy with its LM report for that year.

Local 60 has now filed a copy of its constitution and bylaws.

I want to extend my personal appreciation to Insulators Local Union 60 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

cc: Mr. Garry Williams, Business Manager